



FAIR WORK
AUSTRALIA

7 November 2012

Mr Damien Collis
President
Civil Contractors Federation, Northern Territory Branch
P.O. Box 36519
Winnellie NT 0821

Email: ccfnt@civilcontractors.com.

Dear Mr Collis

Re: Financial Report for the Civil Contractors Federation, Northern Territory Branch for year ended 30 June 2012 - FR2012/315

I acknowledge receipt of the financial report for the Civil Contractors Federation, Northern Territory Branch for the year ended 30 June 2012. The report was lodged with Fair Work Australia (FWA) on 14 September 2012.

The financial report has been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

1. Disclosure of employee benefits to office holders and other employees

The General Manager's Reporting Guidelines require reporting units to separately disclose:

- employee benefits to office holders, and
- employee benefits to employees other than office holders

in the Statement of Comprehensive Income or in the Notes to the Financial Statements and in the Provisions under Liabilities in the Statement of Financial Position (see items 11(g), 11(h), 14(c) and 14(d) of the Reporting Guidelines).

The Operating Report indicates that there is one employee of the Branch, that being the Chief Executive Officer.

In the Statement of Income, four employment benefit expenses are listed. Two employment benefit items apply to the Chief Executive Officer, those being Salaries and Superannuation. In both items the Chief Executive Officer is noted as 'Officeholder'. It is assumed that the remaining two employment benefit items, being the Annual Leave Expense and the Long Service Leave Expense, also apply to the Chief Executive Officer.

Whilst the position of Chief Executive Officer may be referred to as that of "officer" under the Organisation's rules, for the purposes of sections 6 and 9 of the RO Act this position is not recognised as such. An office holder under the RO Act refers to a person who is a *voting member* of a collective body of the organisation or branch that has the power to manage the

affairs, determine policies, make alterations and enforce rules of the organisation or branch. The CCF Branch Chief Executive Officer does not appear to be a voting member of the Branch Board and is subject to the direction of the Branch Board.

Accordingly, all the employee benefits pertaining to the Branch Chief Executive Officer should properly be categorised as employee benefits to employees other than office holders. When providing the figures for 'Annual Leave Expense', 'Long Service Leave Expense', 'Salaries' and 'Superannuation' it should be made explicit that these are employee benefits for an employee other than office holder.

Additionally, Note 7 to the Notes to the financial statements regarding the provisions in the liabilities of the statement of financial position should include a statement to the effect, "*The only employee of the Branch is the Chief Executive Officer. No remuneration benefits were paid to officeholders during the year, nor are any entitlement provisions set aside for them at reporting date.*" This will make it clear that the provisions in the liabilities of the statement of financial position regarding employee entitlements relate only to an employee other than an office holder.

Please ensure this is done in future financial reports.

2. Operating Report - Membership of Committee of Management

Regulation 159(c) of the *Fair Work (Registered Organisations) Regulations 2009* provides that the operating report should contain the name of each person who has been a member of the Committee of Management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position.

The operating report does not comply with this requirement. The period in which each person held their respective position should be provided in future financial reports.

3. Auditor's Report - Scope

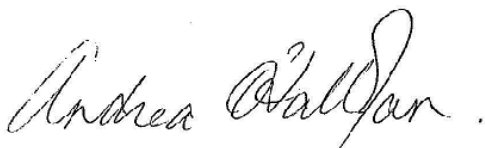
The auditor is required to provide an opinion on the general purpose financial report (GPFR) according to subsection 257(5). Subsection 253(2) defines the GPFR to consist of the financial statements, notes to the financial statements and any other reports or statements required by the Reporting Guidelines, namely the committee of management statement. Please ensure this document is included in the scope of the audit report in future.

4. Extraneous document

The Certificate of the Chief Executive Officer on page 5 of the financial report is not required. This was required in superseded legislation. It is not necessary to lodge this with future financial reports.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7787.

Yours sincerely



Andrea O'Halloran
Regulatory Compliance Branch
Fair Work Australia

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CCF NORTHERN TERRITORY BRANCH

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11 September 2012

Ms. Andrea O'Halloran
Organisations, Research & Advice
GPO Box 1994
MELBOURNE VIC 3001



Dear Ms. O'Halloran

Re: General Purpose Financial Statements - period ending 30 June 2012 Civil Contractors Federation Northern Territory Branch (CCFNT)

In accordance with the Fair Work (Registered Organisations) Act 2009 and on behalf of the CCFNT I hereby lodge financial documents for the Branch as General Purpose Financial Statements for the 2011/12 reporting period.

I wish to advise that at the Annual General Meeting of the Northern Territory Branch, on 6 September 2012, has endorsed the lodgement of these documents with Fair Work Australia.

Accordingly I attach the relevant documents for filing.

Yours Sincerely

Kevin Williams
Chief Executive Officer
Civil Contractors Federation
Northern Territory Branch

Attachments:

- (i) General Purpose Financial Statements
- (ii) Certificate of Designated Officer
- (iii) Loans/Grants/Donations Statement

CIVIL CONTRACTORS FEDERATION NT BRANCH

Certificate of Designated Officer
s268 of Schedule 1B Fair Work (Registered Organisations) Act 2009
For the Year ended 30 June 2012

I, Mr Damien Collis, being the President of the Civil Contractors Federation Northern Territory Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the Fair Work (Registered organisations) Act 2009; and
- that the full report was provided to members on 15 August 2012; and
- that the full report was presented to a general meeting of members of the reporting unit on 6 September 2012; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature:



11 September 2012

**CIVIL CONTRACTORS FEDERATION
NORTHERN TERRITORY BRANCH**

ABN: 82 550 580 543

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2012**

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Operating Report For the Year ended 30 June 2012

Principal activities

The principal activities of the Branch during the financial year were to represent civil engineering contractors in the Northern Territory and provide assistance and expertise in contractor development and industry.

The Branch also provides advocacy services in dealings with the Northern Territory Government and other major stakeholders contracting with its members, as well as a range of other services, either directly or via its National Office, including:

- Industrial relations advice and representation in state and federal industrial courts and commissions;
- Contract and commercial legal advice specific to industry requirements;
- Access to credit, insurance and financial services;
- Advice and direction on meeting industry training and development needs and fulfilling government apprentice training contract conditions;
- Publication of the Territory eNewsletter and information bulletins as required;
- Support services on OH&S, quality and environmental management; and
- Industry updates on government legislation, regulations and initiatives.

Results of principal activities

The Branch's principal activities resulted in a close and cooperative relationship with NT Government agencies, principally the Departments of Lands and Planning, Construction and Infrastructure, Education and Training and Business and Employment, with positive outcomes in direct inputs into procurement reform and project packaging, policies for government roads, repairs and maintenance contracts, procurement planning for capital works programs and input into training and employment programs aligned with the civil construction industry.

The Branch represents the civil construction sector on peak industry advisory panels to the NT Government for training, employment and workforce development, sustainable employment (including indigenous) and gearing up industry for the gas hub and marine supply facilities and other major economic and social development projects.

Advocacy services were provided by regular meetings with the NT Minister for Infrastructure and the Chief Executives and senior executive management of relevant infrastructure, training and employment agencies with a generally high level of accommodation of the CCF requests on behalf of the civil construction industry and the Branch membership.

In this regard, the Branch made representations on road and infrastructure priority investment projects for consideration for inclusion in territory and federal Budgets and joint planning for industry development and capacity building to match the continuing infrastructure roll-out in the Northern Territory.

Continuing cooperation with Skills DMC realised continued facilitation of delivery of civil construction training packages and directed NT based training regimes in actively developing a future skilled workforce of Territory technicians, operators and civil supervisors, managers and professionals.

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Operating Report For the Year ended 30 June 2012

In consolidating its leadership role in the civil and roads construction sectors, the Branch alliances with the Local Government Association of the NT and the Extractive Industries Association NT along with other key Territory transport and infrastructure stakeholders.

As a member of the NT Business Council, the Branch participated in wider advocacy on Territory development, including indigenous housing (SIHIP), 'Growing the Territory' taskforce for gas and mining industry expansion, other major project developments and industry skills and employment strategy formalisation. Carbon tax, industrial relations and other potentially impactful government policies also were considered under this cooperative structure and the broader CCF policy umbrella.

The Branch provided a range of communication services to members through the distribution of its national and state office network on federal industry and workplace reforms. Regular newsletters and contributions to the Earthmoving & Civil Contractor magazine provided readily accessible medium for updating members locally in the Territory with industry issues.

All members were provided ready access to CCF services on demand and assistance rendered to achieve resolution of individual member's issues.

Significant changes in nature of principal activities

There were no significant changes in the nature of the Branch's principal activities during the financial year.

Significant changes in Federation's Financial Affairs

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Branch.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme

No officer, or member, to the best of my knowledge, under s254(2)(d) of the Fair Work (Registered Organisations) Act 2009, holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Operating Report For the Year ended 30 June 2012

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of members was 48 Contractor Members and 47 Associate Members.

Number of Employees

The number of persons who were, at the end of the financial year, employees of the Northern Territory Branch of the Federation was one (1), being a full-time Chief Executive Officer.

Committee of Management Members (Board)

The persons who held office as members of the Committee of Management (Board) of the Branch during the financial year were:

President: Mr Damien Collis

Vice-President: Mr Tony Hillier

Treasurer: Mr Pat Coleman

Committee Members: Mr Scott Chapman
Mr Daniel Skewes
Mr Ian Hinchliffe
Mr Tony Sage
Mr Stephen Thompson (now deceased)
Mr Nick Halkitis
Mr Dennis McDonald
Mr Richie Ward
Mr Mic Bellis
Mr Robert Wilson

National Councillor: Mr Robert Wilson

Alternate National Councillor: Mr Dennis McDonald

Chief Executive Officer: Mr Kevin Williams

Ex Officio Member: Mr Phillip Storey

**Operating Report
For the Year ended 30 June 2012**

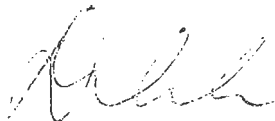
Manner of resignation

Members may resign from the Federation in accordance with rule 9, which reads as follows:

"9 - RESIGNATION OF MEMBERS

- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer.
- (b) A notice of resignation from membership of the Federation takes effect:
 - (i) at the end of two weeks after the notice is received by the Federation; or
 - (ii) on the day specified in the notice;whichever is later.
- (c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.
- (d) A notice delivered to the person mentioned in subrule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.
- (f) A resignation from membership of the Federation is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted."

**Damien Collis
Designated Officer
Branch President CCFNT**



Signature:

Date: 7 August, 2012

Certificate of The Chief Executive Officer (NT)

I, Kevin Williams, the Chief Executive Officer of Civil Contractors Federation (NT Branch) hereby certify that to the best of my knowledge and belief that:

- a. There were 95 members of the organisation as at the end of the financial year ended 30 June 2012.
- b. The full general purpose financial report, referred to in Section 268 of the Schedule 1B Fair Work (Registered Organisations) Act 2009 was presented to the NT Branch on 7 August 2012.
- c. The financial statements set out on pages 7 to 26 show a true and fair view of the financial affairs of the organisation as at the end of the financial year in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Standards Board.
- d. A record has been kept of all money paid by, or collected from members of the organisation, and all money so paid or collected has been credited to the bank account to which the money is to be credited, in accordance with the rules of the Federation; and
- e. The full general purpose financial report is a copy of that presented to the NT Branch Committee of Management on 7 August 2012 and which will be presented to a General Meeting of Members on 6 September 2012.


Kevin Williams
Chief Executive Officer (NT)

Dated in the Northern Territory, this 7th day of August 2012

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE NORTHERN TERRITORY BOARD OF THE
CIVIL CONTRACTORS FEDERATION – NORTHERN TERRITORY**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2012, there have been:-

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Stannards, Accountants & Advisors



Michael Shulman (Registered Company Auditor : 163888)
Partner
Holder of Current Public Practice Certificate

Dated: 13 August 2012

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Statement of Income For the Year ended 30 June 2012

	2012	2011
	\$	\$
INCOME		
Membership Fees	117,100	105,061
Associate Membership Fees	49,391	47,839
Sponsorship Fees	29,000	27,909
Functions	47,491	65,721
Federal & State Government Training Funding	173,772	89,910
Unfunded Training	20,350	-
SCIMS Programme	3,752	5,755
Grants Received	90,000	-
Interest Received	5,216	46
	<u>536,072</u>	<u>342,241</u>
EXPENDITURE		
Audit and Accountancy Fees	4,800	2,643
Advertising	540	1,236
Annual Leave Expense	1,180	(16,544)
Bad Debts	1,818	5,273
Bank Charges	509	-
Conference Registrations	2,056	8,214
CCF National Office Contribution Fees	11,363	11,014
Computer Expenses	907	346
Depreciation	6,728	7,608
Electricity	663	570
Insurance	1,689	657
Interest and Finance Charges	2,869	3,892
Long Service Leave Expense	11,860	-
Motor Vehicle Expenses	5,823	8,564
Meetings & Functions Costs	65,637	67,137
Office Expenses – (Postage and Stationery)	1,368	2,737
Payroll Tax	6,746	3,552
Rent	12,616	10,371
Salaries – Officeholder (Chief Executive Officer)	113,168	80,814
Superannuation – Officeholder (Chief Executive Officer)	10,260	7,200
SCIMS Programme	4,491	-
Sundry Expenses	1,578	878
Telephone	5,805	4,664
Training/Course Delivery	183,383	68,541
Travel and Accommodation	7,599	2,750
Workers Compensation Insurance	731	1,784
	<u>466,186</u>	<u>283,901</u>
OPERATING SURPLUS/(DEFICIT) BEFORE INCOME TAX	<u>69,886</u>	<u>58,340</u>

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Statement of Comprehensive Income For the Year ended 30 June 2012

	2012 \$000	2011 \$000
Surplus for the period	69,886	58,340
Other comprehensive income for the period	-	-
Total comprehensive income for the period	69,886	58,340
Total Comprehensive income attributable to members of the organisation	69,886	58,340

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Changes in Members Equity For the Year ended 30 June 2012

	2012	2011
	\$	\$
Retained Earnings - Beginning of Year	87,770	29,430
Surplus from ordinary activities before income tax	69,886	58,340
Income tax relating to ordinary activities	-	-
Retained Earnings – End of Year	<u>157,656</u>	<u>87,770</u>

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Statement of Financial Position As at 30 June 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash & Cash Equivalents	2	172,331	166,105
Trade & Other Receivables	3	74,618	54,658
Prepayments	4	1,536	1,460
TOTAL CURRENT ASSETS		248,485	222,223
NON-CURRENT ASSETS			
Plant and Equipment	5	28,767	31,403
TOTAL NON-CURRENT ASSETS		28,767	31,403
TOTAL ASSETS		277,252	253,626
CURRENT LIABILITIES			
Trade & Other Payables	6	65,965	112,100
Tax liabilities		1,130	3,960
Provisions	7	13,488	12,308
Borrowings	8	10,263	10,263
TOTAL CURRENT LIABILITIES		90,846	138,631
NON-CURRENT LIABILITIES			
Borrowings	8	16,890	27,225
Provisions	9	11,860	-
TOTAL NON-CURRENT LIABILITIES		28,750	27,225
TOTAL LIABILITIES		119,596	165,856
NET ASSETS		157,656	87,770
MEMBERS' EQUITY			
Retained earnings		157,656	87,770
TOTAL MEMBERS' EQUITY		157,656	87,770

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Statement of Cash Flows For the Year ended 30 June 2012

	Note	2012 \$	2011 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Income Receipts		510,896	320,662
Interest Received		5,216	46
Payments to Employees		(123,428)	(88,014)
Interest Paid		(2,869)	(3,892)
Payments to CCF National Office		(11,363)	(11,014)
Other Payments		(357,779)	(102,711)
Net Cash Provided By Operating Activities	9(b)	20,653	115,077
CASH FLOW FROM INVESTING ACTIVITIES			
Plant and Equipment Acquired		(4,092)	-
Net Cash (Used In) Investing Activities		(4,092)	-
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings Repaid		(10,335)	(9,313)
Net Cash (Used In) Financing Activities		(10,335)	(9,313)
Net Increase In Cash Held		6,226	105,764
Cash At The Beginning Of The Financial Year		166,105	60,341
Cash At The End of The Financial Year	9(a)	172,331	166,105

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Notes to the Financial Statements For the Year ended 30 June 2012

Note 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009. The report complies with Australian Accounting Standards, which includes Australian International Financial Reporting Standards (AIFRS). The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The financial report has been prepared on an accruals basis. Cost is based on fair value, which is the amount in which an asset could be exchanged between knowledgeable, willing participants in an arm's length transaction.

Unless otherwise stated, the accounting policies have been consistently applied. The financial report is for the entity known as Civil Contractors Federation – Northern Territory Branch, a Federation, as an individual entity.

(b) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominated amounts. For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments readily convertible to cash within two working days, net of outstanding bank overdrafts.

(c) Acquisition of Assets

The cost method of accounting is used for all acquisition of assets. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

Non-monetary assets received in the form of grants and sponsorship are recognised as assets and revenue at their fair value at the date of receipt.

(d) Income Tax

The Federation is registered under the Fair Work (Registered Organisation) Act 2009 and is believed to be exempt from income tax including capital gains tax, by virtue of the provisions of s.50-15 of the Income Tax Assessment Act 1997.

(e) Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist.

Subsequent to the initial recognition, the Committee of Management assess whether there is objective evidence that a financial instrument has been impaired. A prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen, impairment losses are recognised in the Income Statement.

**Notes to the Financial Statements
For the Year ended 30 June 2012**

Note 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Revenue

Revenue from membership subscriptions is recognised proportionately over the period to which it relates.

Revenue from the rendering of a service is recognised in proportion to the stage of completion of the service.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Federation, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Federation will obtain ownership of the asset over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

(h) Operating Segment

The Federation is incorporated under the Fair Work (Registered Organisations) Act 2009 and domiciled in Australia.

The Federation operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors in the Northern Territory, providing professional services, information and advice including industrial relations advice, dispute resolution, training (business, occupational health and safety), changes to acts and legislation, changes to award rates of and work practices to members of the Federation throughout the Northern Territory.

**Notes to the Financial Statements
For the Year ended 30 June 2012**

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Depreciation of Plant and Equipment

Depreciation is calculated on a diminishing value basis to write off the net cost or revaluated amount of each item of property, plant and equipment over its expected useful life to the Branch. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. Depreciation rates applied are as follows:-

Plant & Equipment:	30% per annum
Motor Vehicle :	18.25% per annum

(j) Employee Leave Entitlements

Provision is made for employee benefits as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimate future cash outflow to be made in respect of services provided by employees up to reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Superannuation expense is recognised against profits as incurred. The superannuation expense for the year is the amount of the statutory contribution the Branch makes to the superannuation plan, which provided benefits to its employees.

(k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except;

- i where the amount of GST incurred is not recoverable from the Australian Taxation Office, it is then recognised as part of the cost of acquisition of an asset or as part of an item of expenses; and
- ii receivables and payables are stated with the amount of GST included.

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Notes to the Financial Statements For the Year ended 30 June 2012

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Reporting entity/Information to members or Registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which reads as follows:

- 1) *A member of a reporting unit, or General Manager of FWA, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.*
- 2) *The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.*
- 3) *A reporting unit must comply with an application made under subsection (1).*

(m) Payments to Employees of Salaries and Superannuation

	2012	2011
	\$	\$
Chief Executive Officer	123,428	88,014
Others	-	-
	<u>123,428</u>	<u>88,014</u>

No remuneration benefits were paid to officeholders, nor do they accrue any employee entitlements.

(n) Related Party Transactions

All related party transactions are on normal commercial terms and conditions and are disclosed in the Statement of Income and Expenditure or the notes to the financial statement.

The Branch's principal place of business is Shop 7, Winnellie Shopping Centre, 347 Stuart Highway, Winnellie, Northern Territory.

(o) Critical Accounting Estimates and Judgements

The Branch evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

Key Estimates – Impairment

The Branch assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Notes to the Financial Statements For the Year ended 30 June 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Branch. The Branch has decided not to early adopt any of the new and amended pronouncements. The Branch's assessment of the new and amended pronouncements that are relevant to the Branch but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Branch has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

**Notes to the Financial Statements
For the Year ended 30 June 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) New Accounting Standards for Application in Future Periods

- AASB 1053: Applications of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements.

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements for Tier 1, but contains significantly fewer disclosure requirements.

Management believes that the Branch qualifies for the reduced disclosure requirements for Tier 2 entities. However, it is yet to determine whether to adopt the reduced disclosure requirements.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Branch.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interest in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Branch has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

**Notes to the Financial Statements
For the Year ended 30 June 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) New Accounting Standards for Application in Future Periods

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Branch.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Branch.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Branch.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Branch.

**Notes to the Financial Statements
For the Year ended 30 June 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) New Accounting Standards for Application in Future Periods

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Branch does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Branch has not yet been able to reasonably estimate the impact of these changes to AASB 119.

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Notes to the Financial Statements For the Year ended 30 June 2012

	2012	2011
	\$	\$
2. Cash and Cash Equivalents		
Cash at Bank and on Deposit	172,331	166,105
	<u>172,331</u>	<u>166,605</u>
3. Trade & Other Receivables		
Current		
Trade and other receivables	74,618	54,658
	<u>74,618</u>	<u>54,658</u>
4. Prepayments		
Prepayments	1,536	1,460
	<u>1,536</u>	<u>1,460</u>
5. Plant and Equipment		
Office Furniture and Equipment at Cost	9,675	5,584
Less Accumulated depreciation	(5,881)	(4,823)
	<u>3,794</u>	<u>761</u>
Motor Vehicle at Cost	60,408	60,408
Less Accumulated depreciation	(35,435)	(29,766)
	<u>24,973</u>	<u>30,642</u>
Total Plant and Equipment	<u>28,767</u>	<u>31,403</u>
Balance – 1 July 2011	31,403	38,684
Additions	4,092	-
Depreciation	(6,728)	(7,281)
Balance – 30 June 2012	<u>28,767</u>	<u>31,403</u>

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Notes to the Financial Statements For the Year ended 30 June 2012

	2012	2011
	\$	\$
6. Trade and Other Payables		
Trade and Other Payables	5,814	2,100
Funding received in advance	60,151	110,000
	<u>65,965</u>	<u>112,100</u>
7. Provisions		
Current		
Provision for Employee Entitlements	13,488	12,308
	<u>13,488</u>	<u>12,308</u>
Non Current		
Provision for Employee Entitlements	11,860	-
	<u>11,860</u>	<u>-</u>
8. Borrowings		
Loan Payable:		
Not later than one year	10,263	10,263
Later than one year and not later than five years	16,890	27,225
Total Loan Liability (secured by assets being financed)	<u>27,153</u>	<u>37,488</u>
9. Statement of Cash Flows		
(a) Reconciliation of Cash		
Cash at Bank and on Deposit	172,331	166,105
Balance per Statement of Cash Flows	<u>172,331</u>	<u>166,105</u>
(b) Reconciliation of cash flow from operations with surplus after income tax		
Surplus after income tax	69,886	58,340
Non-cash flows in surplus		
Depreciation	6,728	7,281
Changes in Operating Assets & Liabilities		
(Increase)/Decrease in trade and other receivables	(19,960)	(21,533)
Increase/(Decrease) in employee entitlements	13,040	(16,444)
Increase/(Decrease) in trade and other payables	(46,135)	87,926
Increase/(Decrease) in tax liabilities	(2,830)	(950)
(Increase)/Decrease in prepayments	(76)	457
	<u>20,653</u>	<u>115,077</u>
Net Cash Flows from Operating Activities	<u>20,653</u>	<u>115,077</u>

CIVIL CONTRACTORS FEDERATION - NT BRANCH

Notes to the Financial Statements For the Year ended 30 June 2012

10. Commitments for Expenditure

There are no material commitments for expenditure as at the date of this report.

11. Segment Reporting

The entity operates predominantly in the one business and geographical segment, being in the Australia providing services to its members in respect of education, legal, employment and general industrial matters.

12. Financial Instruments

Interest rate risk

Civil Contractors Federation NT Branch's exposure to interest rate risk and the effective interest rates of the financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:-

Financial Instrument	Fixed Interest Rate Maturing in							
	Floating Interest		1 year or less		Over 1 to 5 years		More than 5 years	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Financial assets								
Cash	172	166	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-
Total financial assets	172	166	-	-	-	-	-	-
Financial Liabilities								
Accounts payable	-	-	-	-	-	-	-	-
Borrowings	-	-	10	10	17	27	-	-
Total financial liabilities	-	-	10	10	17	27	-	-

Financial Instrument	Non-interest Bearing		Total Carrying amount as per statement of financial position	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Financial assets				
Cash	-	-	172	166
Receivables	74	54	74	54
Total financial assets	74	54	246	220
Financial Liabilities				
Accounts payable	66	112	66	112
Borrowings	-	-	27	37
Total financial liabilities	66	112	93	149

**Notes to the Financial Statements
For the Year ended 30 June 2012**

12. Financial Instruments (con't)

Net fair values

All financial assets and liabilities have been recognised at their fair values in the statement of financial position.

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Cash, cash equivalents and short-term investments: the carrying amount approximates fair value because of their short-term to maturity.

Income receivable and accounts payable: The carrying amount approximates fair value.

Other risks

The Branch does not have any material credit exposure to any one customer or group of customers. It manages liquidity risk through review of actual cashflows, projections and capital expenditure requirements.

Sensitivity

A 1% change of interest rates would change 'surplus before tax' by \$1,450 (2011 : \$1,290).

13. Contingencies

There were no contingent liabilities at 30 June 2012 (2011: \$nil).

**Notes to the Financial Statements
For the Year ended 30 June 2012**

**Committee of Management Statement
For the Year ended 30 June 2012**

On 10 August 2012, the Committee of Management of the Civil Contractors Federation Northern Territory Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2012.

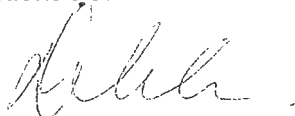
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year;
 - i. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - iv. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - v. no requests were received from any member of the reporting unit or a General Manager of FWA for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - vi. no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009; and
 - vii. in relation to recovery of wage activity, there have been no recovery of wage activities during the year.

For Committee of Management:

**Damien Collis
Designated Officer
Branch President CCFNT:**

Signature:



Date: 10 August 2012

**Independent Auditors' Report
To The Members of The Civil Contractors Federation –
Northern Territory Branch**

SCOPE

The Financial report and Committee of Management's responsibility

The financial report comprises the income statement, the statement of comprehensive income, statement of financial position, statement of changes in members equity, statement of cash flows, and accompanying notes to the financial statements for the year ended 30 June 2012.

The Committee of Management is responsible for the preparation and true and fair presentation of the financial report in accordance with the requirements imposed by Reporting Guidelines of the General Manager of FWA. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have audited the financial statements of the Civil Contractors Federation – Northern Territory Branch (CCFNT) for the financial year ended 30 June 2012.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Reporting Guidelines of the General Manager of FWA and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the CCFNT's financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

INDEPENDENCE


In conducting our audit, we declare that to the best of our knowledge and belief, that the auditor's independence declaration set out in this the financial report, has not been changed as at the date of providing our audit opinion.

**Independent Auditors' Report
To The Members of The Civil Contractors Federation –
Northern Territory Branch (Cont'd)**

AUDIT OPINION

In our opinion:–

- i) there were kept by the CCFNT in respect of the year satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of the CCFNT;
- ii) the general purpose financial report is prepared under the historical cost convention and is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by the General Manager of FWA and the Fair Work (Registered Organisations) Act 2009. The financial report is properly drawn up so as to give a true and fair view of:
 - a) the financial affairs of the CCFNT as at 30 June, 2012;
 - b) the income and expenditure and net result of the CCFNT for the period ended on that date; and
- iii) in relation to recovery of wages activity, there has been no recovery of wages activity during the year .

 *M Shulman*

M Shulman (Chartered Accountant & Registered Company Auditor - 163888)
Partner
Holder of Current Public Practice Certificate

Dated: 13 August 2012

Melbourne, Victoria